

Línea Directa Aseguradora Talent Policy



Name of the document	Línea Directa Talent Policy
Related section of the Code of Ethics	<p>-VI.1 Human Rights and Civil Liberties.</p> <p>-VI.2 Respect, Dignity and Non-Discrimination</p> <p>-VI. 6 Brand and Company Image.</p>
Related section of other policies	<ul style="list-style-type: none"> • Selection Policy: Basic principles for action. • Gender Equality Policy: sections II and IV • Diversity and Inclusion Policy: sections II and IV
Rules and standards superseded	None
Related rules and standards	<p>- Purpose and values of Línea Directa.</p> <p>- Code of Ethics</p> <p>- Selection Policy</p> <p>- Equal Opportunities Policy</p> <p>- Diversity Policy</p> <p>- Human Rights Policy</p>
Business unit or function affected	Línea Directa Group
Personnel affected	Línea Directa Group
Main area responsible for monitoring	People, Communication and Sustainability
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TABLE OF CONTENTS

1. Introduction
2. Principles of action
3. Scope
4. Commitments and responsible practices
5. Management model
6. Governance model and monitoring
7. Communication of the policy

1. INTRODUCTION

Línea Directa fosters healthy relations in the workplace through a firm commitment to equal opportunities, non-discrimination and respect for diversity. People are the necessary driver of the Company's progress and their talent positively impacts the results of the Organisation.

The Board of Directors of Línea Directa Aseguradora S.A. approves this Talent Policy to govern all areas of Línea Directa's activity, with the aim of adopting specific measures to attract, retain and develop the best talent, providing the necessary skills and knowledge to achieve the Company's strategic objectives. All without prejudice to the principles already established in the Sustainability, Gender Equality, Diversity and Inclusion and Human Rights Policies.

2. PRINCIPLES OF ACTION



One of the keys to Línea Directa's success is its human team. The principles set out below are the expression of the axes with which Línea Directa ensures talent management that reflects its uniqueness as an organisation.

The Company is therefore committed to **complying with the following principles** of action:

- **To promote stable and quality** work with a stimulating and challenging job offer, which ensures the sustainability of the Company and promotes stable employment. This impacts Sustainable Development Goal **(SDG) 8**, related to the economic growth of Society.
- **To ensure appropriate selection** for each position, in accordance with objective criteria that exclusively assess the aptitudes and merits of individuals and guaranteeing that all candidates receive equal and fair treatment throughout the process.
- **To ensure equality, diversity, inclusion and respect for human rights**, avoiding any kind of discrimination on the basis of sex, age, race, religion, sexual orientation and disability. The criteria of objectivity, fairness and transparency in the management of people will be applied, as is the case in the Company's various internal documents, and in particular in its Gender Equality, Diversity and Inclusion and Selection Policies.
- **To promote the Corporate Values** (enthusiasm, clarity, a focus on results orientation and respect for people) **and the #Línea Directa DNA which reflect our value proposal** for both our employees and the market. This proposal is summarised in that we are:
 - **"Agile"** because we are extremely able to adapt to change,
 - **"Different"** because of our direct model and our unique approach to our customers
 - **"Nurturing of people"**, putting people at the centre of decision-making and ensuring that every employee is responsible for their own learning and development.



- **Preparing employees** by providing them with the necessary knowledge, skills and competencies to foster their professional and personal development and improve their ability to achieve the targets set.
- **To encourage commitment** in people by building teams united by a common purpose. To this end, the three pillars that help foster commitment in Línea Directa employees will be taken as a reference:
 - **A culture** in which people are at the centre of all decisions and which fosters cooperation between teams, agility, flexibility and proximity.
 - **The corporate values** (clarity, results orientation, enthusiasm, respect for people and will to self-improvement).
 - **A coherent leadership style** based on rational and emotional skills and with a strong values model.
- **To ensure transparency, dialogue and communication** with employees in all aspects related to talent management. To this end, the Company will improve the exchange of information with employees through the relevant listening channels and their perception and experience will be measured.
- **To comply with Línea Directa's Code of Ethics, Policies and Procedures**, ensuring that all talent management in the Company reflects the ethical values of the organisation contained in the rules referred to under this heading.
- **To promote the well-being** of people through specific programmes that enable them to improve their quality of life and that of their families in addition to ensuring a safe and healthy work environment.

3. SCOPE

The principles set out in this document apply to all employees of all the companies that make up the Línea Directa Aseguradora Group, and who are involved in talent management processes.

In this context, the Company will promote external and internal talent management processes in accordance with the principles and commitments set out in this policy and that will reach all employees of the Línea Directa Group, respecting in any case in their application the characteristics of the different companies of the group.

4. COMMITMENTS AND RESPONSIBLE PRACTICES

Línea Directa's people management strategy and selection policy and internal vacancy procedure are based on respect for diversity, equal opportunities, the merits of each individual and non-discrimination on the basis of gender, race, age, disability or any other circumstance.

The Talent Policy is based on the Company's roles model. This system of organisation allows the functions that exist in the company to be differentiated, offers flexibility to the organisation by being independent of the hierarchical structure and is sufficiently elastic to include future emerging functions. The roles are linked to the rest of the practices and policies of the People, Communication and Sustainability Management, such as remuneration coherence, the strategic planning of resources and staff and the attraction and development of talent.

Compliance with the principles set out in this Policy is achieved through the following commitments and responsible practices with which the Company exemplifies its way of focusing on talent management:

4.1.-. Attraction and Selection:

- **Identification of Talent requirements.** The Company establishes business plans, which are tied up with people plans to meet the Company's strategic needs. Mechanisms are established for the detection of knowledge and skills requirements that allow the development of people to be tailored to the needs of the organisation and the needs for the incorporation of external talent to be identified.



- **To be aware of the Talent environment and trends.** The Company takes into account the pertinent information on Talent trends, as well as changes in the business and technological environment that may have an impact. This enables the business strategy to be aligned with the attraction and loyalty strategy while taking into account the market context.
- **Attracting Talent:** The Company shows an attractive brand through its value proposition (#Línea Directa DNA) that reflects the values and opportunities offered by a sustainable company that leads the way in the sector. Relationships are established with "talent hotbeds" such as educational institutions and headhunters to streamline the search process and specific strategic plans are put in place via social networks and other media to attract the necessary talent.
- **Talent selection:** We ensure that the selection of people for each position follows objective criteria and is carried out based exclusively on criteria of merit, ability, motivation and commitment, including all professionals who fit the profile of knowledge, skills and competencies required for the different positions and ensuring that all candidates receive equal and fair treatment throughout the process, in accordance with the selection policy and the internal vacancies procedure.
- **To help young people to access their first job,** for which training and internship programmes will be designed focused on providing them with a first professional experience that enables them to be fully integrated into the employment market.
- **To promote the selection of internal talent and potential** with a varied vacancies offering. Our roles model brings clarity to the organisation, defining the key functions and competencies required for each role. This, together with our performance assessment and management systems, enables us to identify in-house talent with the maximum potential to fill vacancies before the Company chooses to look externally.

4.2-. Talent Development:

- **Promote and update internal talent.** To this end, development and training plans will be established, linked to the Company's strategic needs, that will establish the priority lines of action for internal talent management and its updating and development.
- To guide and connect teams through a **unique leadership style** that combines rational (technological and technical knowledge and skills) and emotional (empathy, sensitivity, etc.) aspects, managing with flexibility and a vision of the future in a constantly changing environment and acting with the key values of responsibility, courage, confidence and humility.
- **Promote a culture of development** that encourages self-study and training by combining the individual interests of each person with the goals of the organisation. In addition, promoting **digital innovation and culture** so that the Company can further consolidate its digital transformation and generate innovative new products and services.
- **To have a succession plan** so that the Company is prepared to cover **key positions** in the organisation if necessary. This plan considers the prior identification of internal talent and its specific development so that, when the time comes, it can meet the requirements of a position to succeed.
- **To have the necessary tools, measurement mechanisms and personal data analysis techniques** to correctly monitor compliance with the Company's talent management strategy, and with the commitments and practices contained in the current policy.

4.3-. Talent Loyalty:

- **To align people with the Organisation's** strategy through two tools



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- **Performance Management System**, which enables employees to be guided to achieve the strategic goals and is linked with their professional development.
- **Variable Remuneration System**, which drives teams to achieve the established goals and provide results for the Company's strategy.
- **To generate commitment** by fostering a work environment in which each employee feels the importance of their contribution to the Company. To this end, there are transparent processes, constant, close and clear communication, and a range of open listening channels that allow us to implement actions with which to continue generating commitment in people. Essential in this regard are **employee listening surveys** which enable the Company to gauge the level of commitment, satisfaction and motivation, as well as the perception of management policies and practices, which enables it to make changes or generate new actions.
- **To promote Talent communities**, where a sense of belonging, involvement in collaborative environments, learning and the dissemination of best practices that contribute to individual and collective improvement of the people who form them are encouraged.
- **To have a Remuneration Policy** aligned with the organisation's goals and through which the Company's values and corporate culture are promoted. This helps to improve talent loyalty as it takes into account the valuation of the position, the profile and the individual contributions of each person.
- **To encourage employees to play, and feel that they play**, a key role in the success story of Línea Directa. To this end, the organisation carries out initiatives which reward how people live corporate values in the organisation, the collective challenges that are achieved and involvement in the Company's most important moments.

- **To encourage the participation of employees in corporate volunteering initiatives**, so that they also have opportunities to develop their social commitment with Línea Directa.

5. MANAGEMENT MODEL

Línea Directa guarantees the existence of the appropriate communication and reporting channels, both internal (employee channel, ethical channel, EFR post box and Másfamilia Foundation channel), and external (ethical channel and Másfamilia Foundation channel), which allow the Company to be informed of any action that hampers the fostering of people's talent based on the principles and commitments established herein.

The diversity and inclusion principles set out in this Policy will also be managed through internal codes, plans, policies and procedures. The People Department will ensure compliance with this policy.

6. GOVERNANCE MODEL AND MONITORING

The People, Communication and Sustainability Department will establish the Talent plan for the Company, taking into account, inter alia, the workforce size and capacity. The implementation of this plan will satisfy the needs of the Company and ensure its contribution to the fulfilment of the goals established in the Company's Plan.

The People, Communication and Sustainability Department is responsible for ensuring coherence and coordination between the different aspects that are regulated and managed, in turn, in this and other policies, procedures and specific strategic plans for Talent. In addition to the Management, there are cross-divisional working committees in this area that ensure compliance with the principles of action of this Policy.

The Board of Directors of Línea Directa Aseguradora approves the Línea Directa Group's Talent Policy. The Policy will be subject to periodic review, when circumstances so require or in accordance with the internal



procedure that may be established. Any change to this document must be approved by the Board of Directors following a report from the Appointments, Remuneration and Corporate Governance Committee.

This Policy is complemented by the Group's various policies and is developed with its internal procedures, that are directly related to the principles of action set out herein.

7. COMMUNICATION OF THE POLICY

This Policy will be communicated to all Línea Directa Group employees and will also be made available to stakeholders via the Intranet and on the corporate website.

This Policy will be effective from the date of publication.

This Policy was approved by the Board of Directors of Línea Directa Aseguradora S.A. on 28 June 2022.

Línea Directa Aseguradora S.A. on 28 June 2022.